BILLING CHALLENGES:

Medicare, Workers' Compensation & Coast Guard

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Objectives

- Legislative Authority
- Billing guidance for TPC, MSA, and MAC
- Patient Categories for Medicare Eligibles
- TSP and Medicare Secondary Payer Rules
- Workers' Compensation
- Coast Guard Billing

Legislative Authority

10 USC 1095 ….

- Authorizes DoD to collect from third party payers the reasonable cost of care, less the appropriate deductible or co-payment amount, incurred on behalf of non-active duty DoD beneficiaries with health insurance;

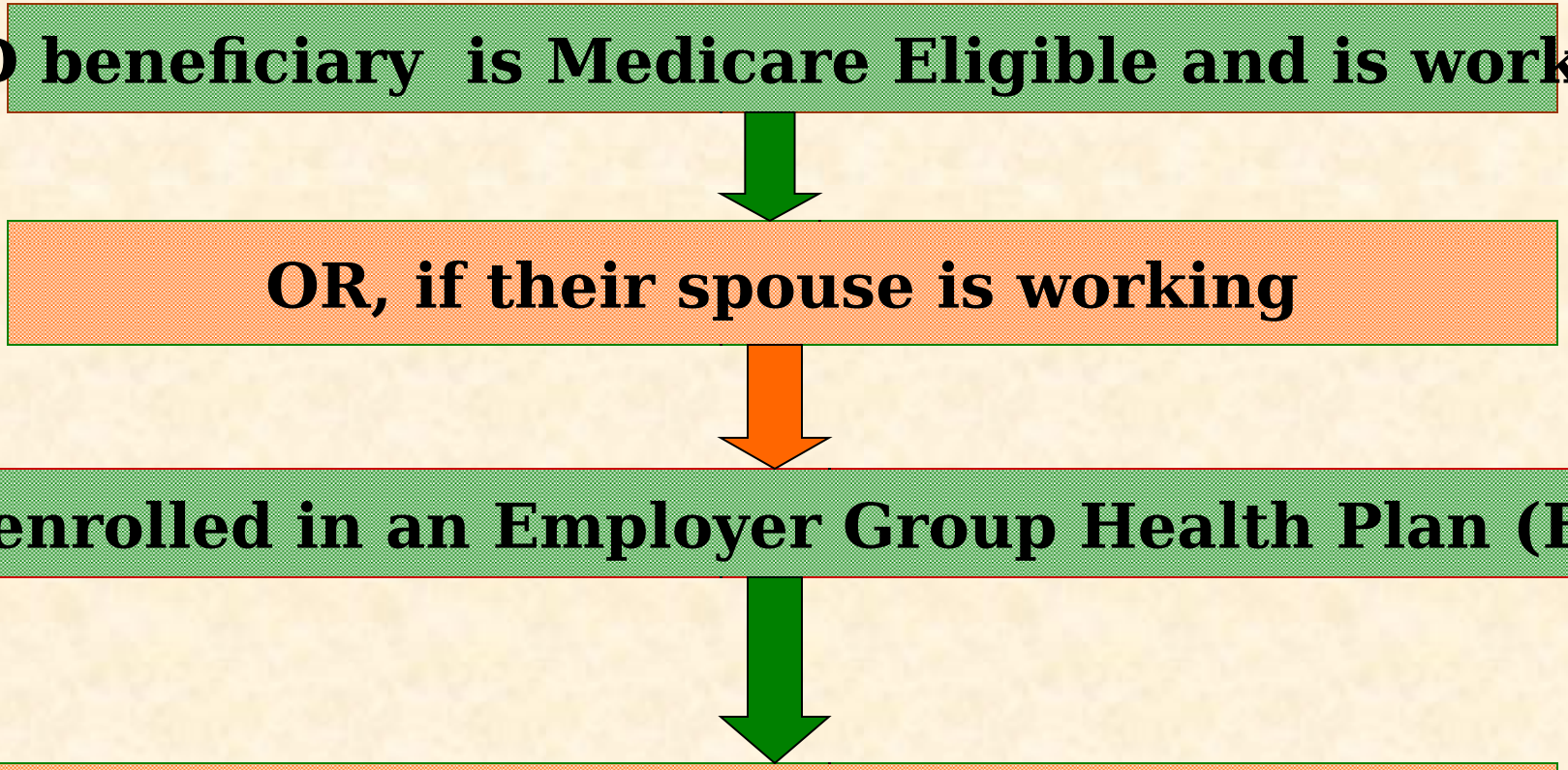
- Collection is prohibited from plans administered under Title XVII or XIX of the Social Security Act.

- Also applies to Medicare alternative products, e.g. Medicare+Choice Plans..

Medicare 101

- **Divided into 2 Parts**
- **Part A - Hospital Insurance**
  - Pays for hospital bills incurred by senior citizens and disabled individuals. Part A is funded through payroll taxes.
- **Part B - Medical Insurance**
  - Pays for doctor's bills and outpatient services.
  - Funded through a combination of participant premiums and money from the general revenue fund.

TPC & Medicare Eligibles


DoD beneficiary is Medicare Eligible and is workin
OR, if their spouse is working
AND, enrolled in an Employer Group Health Plan (EG
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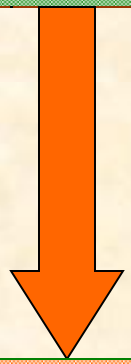
TPC & Medicare Eligibles

DoD beneficiary and Medicare is Primary Payer



BILL the Secondary Payer at the Full Rate

NOTE: Medicare Supplemental Plans are NOT Secondary Payers or Primary Payers

TPC BILLING PROCEDURES FOR MEDICARE ELIGIBLES

DoD Beneficiary By PATCAT	Insurance Status	Primary
A31, F31, N31, M31 A43, F43, N43, M43	Medicare eligible; working with an employer sponsored OHI (EGHP)	Bill FRR to OHI
A31, F31, N31, M31 A43, F43, N43, M43	Medicare eligible without OHI (Medicare Primary)	NA
A31, F31, N31, M31 A43, F43, N43, M43	Medicare eligible, who is not working, but with EGHP OHI through employed spouse	Bill FRR to EGHPs as primary
A31, F31, N31, M31 A43, F43, N43, M43	Medicare eligible with Medicare Supplemental Insurance (Medicare Primary)	Bill FRR to Medicare Supplemental Insurance that covers the Part A Inpatient Deductible.

TPC & Medigap Insurance

- **A “Medicare Supplemental Policy”**
- **Bill only for Inpatient Deductible Amount per benefit period**
- **Benefit Period**
  - Begins when the beneficiary first enters a hospital and ends when there has been a break of at least 60 consecutive days
  - Inpatient hospital care is normally limited to 90 days during a benefit period
- **Deductible Amount ($768) Located on the web**
  - http://www.medicare.gov/amounts.html

MSA & Medicare Eligibles

- **Applicable for non-DoD Beneficiaries in Civilian Emergencies**
- **If Medicare is Primary, bill Medicare at IAR**
- **Follow Medicare Secondary Payer Rules**
- **If primary insurance pays portion of claims, bill Medicare difference up to IAR**

MSA & TPC

- Applicable for non-DoD Beneficiaries in Civilian Emergencies
- If Medicare Primary, bill Medicare at IAR. Can bill Medicare up to IAR if Medicare is Secondary.

- Applicable to DoD Beneficiaries
- Cannot bill Medicare
- Can bill Secondary at FRR

MSA/MAC Billing Procedures for Medicare Eligibles

Civilian Emergency by PATCAT	Insurance Status	Primary
K92	Civilian ER Medicare eligible with an EGHP OHI (Medicare secondary)	Bill OHI at FRR, after Primary OHI collection; bill Medicare remainder up to IAR.
K641	Civilian ER Medicare eligible without OHI (Medicare Primary)	Bill Medicare IAR rate
K641	Medicare+Choice or other Medicare Part C optional plan	Bill HMO or other entity at IAR rate
K622	Civilian ER Workers Comp	Bill Employer at FRR

Medicare Don’ts

Under TPC

DO NOT

- **Bill Supplemental Plans for Outpatient Care**
- **Bill Supplemental Plans for Ancillary Care**
- **Bill Supplemental Plans for Prescriptions ordered by an External Provider**

TPC and TSP Enrollees

- **DoD Acts as a Medicare+Choice Plan**
- **Criteria for Enrollment**
  - Enrollees must be 65 or older
  - Must be entitled to Medicare Part A and enrolled in Part B
  - Live in a zip code in the demonstration site's service area
  - received care in a military treatment facility before 7/1/97 or became eligible for Medicare on or after 7/1/97
  - Do not have end-stage renal disease

TRICARE Senior Prime

- **Exclusive source of health care for all beneficiaries**
- **Medicare Supplemental (Medigap) insurance policies are not billed.**
- **Follow Medicare Secondary Payer Rules, including Pharmacy billing**

HCFA Working Aged Survey

- Identifies whether the enrollee is retired
- Whether the enrollee (or their spouse) works for an employer group consisting of 20 or more employees
- Enrollment in Employer Group Health Plan

TSP Billing Guidance

DoD beneficiary is Medicare Eligible and is workin

OR, if their spouse is working

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Medicare Secondary Payer

Patient Situation	Medicare as Prima	Secondary
No Other Insurance	✓	
Medigap Supplemental Insu	✓	
Medicaid Coverage in additi	✓	
EGHP Coverage		✓
End Stage Renal Disease (E		✓
Disability (not working/unemp	✓	
Disability (Employed with LGH		✓
Condition/Injury -No Fault Ins		✓
Condition/Injury -Liability		✓
Condition/Injury -Workers' Co		✓

Identification of Working Aged TSP ENROLLEES

- **DEERS**
- **Medicare Processing Center (MPC)**
- **Registration**

TRICARE Senior Prime Subsistence Waiver

- **Patient not charged any fee for inpatient care in the MTF**

References: Medicare Info on the Web

Health Care Financing Administration

- **Home Page**
  - http://www.hcfa.gov
- **HCFA's Overview of the Medicare Program**
  - http://www.hcfa.gov/medicare/careover.htm
- **1999 Guide to Health Insurance for People with Medicare**
  - http://www.medicare.gov/publications.html
- **HCFA Manuals**
  - http://www.hcfa.gov/pubforms/htmltoc.htm
- **Beneficiary Contact Information**
  - http://www.medicare.gov/contacts/contact1.asp
- **Intermediary/Carrier Directory**
  - http://www.hcfa.gov/medicare/incardir.htm

Questions: Billing Guidance on the the UBO web site

http://www.tricare.osd.mil/ebc/rm/rm_home.html

Medicare Subvention Information on the TRICARE web site

http://www.tricare.osd.mil/tricare/beneficiary/SeniorPrime.html

Billing Challenges: Workers' Compensation

- Patient entered in CHCS for the category appropriate for workers' compensation.
- 4 new categories proposed (6 total)
- Entitlement to care should not be confused with billing of workers' compensation.

Workers' Compensation Categories

MSA	MAC
DoD Federal Employee/ DoD Beneficiary	Non-Federal Employee/ DoD Beneficiary
Non-DoD Federal/ NAF Employee - DoD Beneficiary	
Non-DoD Beneficiary/ DoD Federal Employee	
Non-DoD Federal/ NAF Employee - Non-DoD Beneficiary	

Coast Guard Billing Challenges

- Intention to move toward direct billing to Coast Guard
- Addressing Coast Guard Budget Concerns
- Implement procedures that will reduce the time between date of service and billing
- MOU is due to be revised by April 2002
- Submission of DD Form 7 and 7A